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SUBJECT: RENEWABLE ENERGY INVESTMENT OPPORTUNITIES IN  
SLOVENIA

REF: STATE 95170

¶1. On September 22, Emboff met with Mr. Hinko Solinc, head of the Department of Efficient Energy Use and Use of Renewable Energy Sources within the Slovenian Ministry of the Environment. Slovenia is highly committed to renewable energy. Its target is for 25% of its energy consumption to come from renewable sources by 2020, higher than the overall EU target of 20%. Slovenia has feed-in tariffs similar to Germany's supporting most renewable energy technologies. Subsidies and loans with interest rate subsidies are available for investment. These subsidies can cover up to 40% of the investment cost. There is scope for additional financing, however, particularly for geo-thermal, biofuel and solar.

¶2. The following renewable energy sources are exploited in Slovenia:

-Hydro-electric dams: Largest renewable contributor (23% of gross electricity generation in 2005) with plans to expand and upgrade facilities. The sector is currently 100% controlled by the government.

-Bio-mass: Over 50% of Slovenia's territory is forested. Wood fuel is widely used by homes, apartment buildings and municipalities for heat but there is little used for thermal electricity production. Mr. Solinc speculated that it would be possible to triple wood exploitation.

-Geo-thermal: Already exploited for hot water. Water hot enough for electricity generation is only found deeper than current wells. Financing is needed to dig wells deep enough to exploit the resource for electricity generation.

-Biofuel: Slovenia has a processing plant which produces biodiesel for use in agricultural machinery. Slovenia lacks refining facilities to process biofuel that can be mixed with petrol and therefore must import refined biofuels. The government has set targets for percentage mixtures of biofuel in petrol but is far from meeting these targets.

-Solar: There is at least one operational facility producing electricity with photovoltaics, supported with feed-in tariffs.

-Biogas: There are several operational facilities exploiting biogas. Major sites are: a landfill, a pig farm and a brewery.

-Wind: Minimal production despite potential and financial viability. Nature conservation groups that oppose wind turbine installations are the major obstacle.

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